



C O N S U L T I N G

DOCKET FILE COPY ORIGINAL

Received & Inspected

GVNW CONSULTING, INC.  
3220 Pleasant Run  
Springfield, IL 62707  
(217) 698-2700 (Tel.)  
(217) 698-2715 (Fax)  
www.gvnw.com

OCT 29 2013

FCC Mail Room

REDACTED – FOR PUBLIC INSPECTION

October 22, 2013

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 Twelfth Street S.W.  
Room 5-A225  
Washington, D.C. 20554

**RE: CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION. (FILED IN DOCKETS 10-90)**

Dear Ms. Dortch,

Grand River Mutual Telephone - IA (GRM-IA) hereby submits the attached redacted and confidential versions of its "FCC Form 481 – Carrier Annual Reporting Data Collection" financial information pursuant to sections §54.313 of the Commission's rules, as filed with the Universal Service Administrative Company.

Section 3005 of Form 481 requires the filing of financial information per 47 C.F.R. §54.313(f)(2). GRM-IA maintains that this information is "Confidential Financial Information" on the grounds that it is competitively sensitive information which could be used to disadvantage or harm GRM-IA and is submitting this information pursuant to Protective Order, DA 12-1857 as described below.

First, GRM-IA is submitting the "Confidential Financial Information" as a "Stamped Confidential Document" with each page bearing the legend CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION. One copy of the "Stamped Confidential Document" and accompanying cover letter are enclosed.

No. of Copies rec'd  
List ABCDE

0 + 1

Second, GRM-IA is submitting the "Stamped Confidential Document" as a "Redacted Confidential Document" where the "Confidential Financial Information" has been redacted. Two copies of the "Redacted Confidential Document" and accompanying cover letter with each page stamped "REDACTED - FOR PUBLIC INSPECTION" are enclosed.

Finally, GRM-IA is submitting two copies of the "Stamped Confidential Document" and accompanying cover letter to Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 Twelfth Street S.W., Room 5-A452, Washington, D.C. 20554.

FCC Form 481 was also filed prior to October 15<sup>th</sup> with the Iowa Utilities Board.

Please contact me with any questions you have on this filing.

Sincerely,

*/s/ Dave Beier*

Dave Beier  
Consulting Manager  
GVNW Consulting, Inc.  
(217) 698-2700  
[dbeier@gvnw.com](mailto:dbeier@gvnw.com)

Enclosures

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

OCT 29 2013

FCC Mail Room

|  |   |  |                                       |
|--|---|--|---------------------------------------|
| <p style="text-align: center;"><b>USDA-RUS</b></p> <p style="font-size: 1.2em; margin-top: 20px;"><i>filed electronically on 3-27-13</i></p> <p style="text-align: center;"><b>OPERATING REPORT FOR<br/>TELECOMMUNICATIONS BORROWERS</b></p>   | <p><small>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</small></p> <p><b>BORROWER NAME</b></p> <p>Grand River Mutual Telephone Corporation (combined financials)<br/>Grand River Mutual - Missouri SAC 421888<br/>Grand River Mutual - Iowa SAC 351888</p> |  |                                       |
| <p><small>INSTRUCTIONS-Submit report to RUS within 30 days after close of the period.<br/>For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.</small></p>  | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><b>PERIOD ENDING</b><br/>December, 2012</td> <td style="width: 50%;"><b>BORROWER DESIGNATION</b><br/>MO0533</td> </tr> </table>   | <b>PERIOD ENDING</b><br>December, 2012 | <b>BORROWER DESIGNATION</b><br>MO0533 |
| <b>PERIOD ENDING</b><br>December, 2012   | <b>BORROWER DESIGNATION</b><br>MO0533   |  |                                       |
| <p><b>CERTIFICATION</b></p> <p><i>We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.</i></p> <p><b>ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.</b></p> <p><b>DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII</b><br/>(Check one of the following)</p> <p><input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.</p> <p><input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report:</p> <p style="margin-top: 20px;"><u>Ron Hinde</u> <span style="margin-left: 100px;"><u>3-27-13</u></span></p> <p style="text-align: center;">DATE</p> |   |  |                                       |

**PART A. BALANCE SHEET**

| ASSETS                                   | BALANCE<br>PRIOR YEAR | BALANCE<br>END OF PERIOD | LIABILITIES AND STOCKHOLDERS' EQUITY                          | BALANCE<br>PRIOR YEAR | BALANCE<br>END OF PERIOD |
|--|-----------------------|--------------------------|---|-----------------------|--------------------------|
| <b>CURRENT ASSETS</b>                    |                       |                          | <b>CURRENT LIABILITIES</b>                                    |                       |                          |
| 1. Cash and Equivalents                  |                       |                          | 25. Accounts Payable  |                       |                          |
| 2. Cash-RUS Construction Fund            |                       |                          | 26. Notes Payable   |                       |                          |
| 3. Affiliates:                           |                       |                          | 27. Advance Billings and Payments                             |                       |                          |
| a. Telecom, Accounts Receivable          |                       |                          | 28. Customer Deposits   |                       |                          |
| b. Other Accounts Receivable             |                       |                          | 29. Current Mat. L/T Debt                                     |                       |                          |
| c. Notes Receivable                      |                       |                          | 30. Current Mat. L/T Debt-Rur. Dev.                           |                       |                          |
| 4. Non-Affiliates:                       |                       |                          | 31. Current Mat.-Capital Leases                               |                       |                          |
| a. Telecom, Accounts Receivable          |                       |                          | 32. Income Taxes Accrued                                      |                       |                          |
| b. Other Accounts Receivable             |                       |                          | 33. Other Taxes Accrued                                       |                       |                          |
| c. Notes Receivable                      |                       |                          | 34. Other Current Liabilities                                 |                       |                          |
| 5. Interest and Dividends Receivable     |                       |                          | 35. Total Current Liabilities (25 thru 34)                    |                       |                          |
| 6. Material-Regulated                    |                       |                          | <b>LONG-TERM DEBT</b>   |                       |                          |
| 7. Material-Nonregulated                 |                       |                          | 36. Funded Debt-RUS Notes                                     |                       |                          |
| 8. Prepayments                           |                       |                          | 37. Funded Debt-RTB Notes                                     |                       |                          |
| 9. Other Current Assets                  |                       |                          | 38. Funded Debt-FFB Notes                                     |                       |                          |
| 10. Total Current Assets (1 thru 9)      |                       |                          | 39. Funded Debt-Other   |                       |                          |
| <b>NONCURRENT ASSETS</b>                 |                       |                          | 40. Funded Debt-Rural Develop. Loan                           |                       |                          |
| 11. Investment in Affiliated Companies   |                       |                          | 41. Premium (Discount) on L/T Debt                            |                       |                          |
| a. Rural Development                     |                       |                          | 42. Recquired Debt  |                       |                          |
| b. Nonrural Development                  |                       |                          | 43. Obligations Under Capital Lease                           |                       |                          |
| 12. Other Investments                    |                       |                          | 44. Adv. From Affiliated Companies                            |                       |                          |
| a. Rural Development                     |                       |                          | 45. Other Long-Term Debt                                      |                       |                          |
| b. Nonrural Development                  |                       |                          | 46. Total Long-Term Debt (36 thru 45)                         |                       |                          |
| 13. Nonregulated Investments             |                       |                          | <b>OTHER LIAB. &amp; DEF. CREDITS</b>                         |                       |                          |
| 14. Other Noncurrent Assets              |                       |                          | 47. Other Long-Term Liabilities                               |                       |                          |
| 15. Deferred Charges                     |                       |                          | 48. Other Deferred Credits                                    |                       |                          |
| 16. Jurisdictional Differences           |                       |                          | 49. Other Jurisdictional Differences                          |                       |                          |
| 17. Total Noncurrent Assets (11 thru 16) |                       |                          | 50. Total Other Liabilities and Deferred Credits (47 thru 49) |                       |                          |
| <b>PLANT, PROPERTY, AND EQUIPMENT</b>    |                       |                          | <b>EQUITY</b>   |                       |                          |
| 18. Telecom, Plant-in-Service            |                       |                          | 51. Cap. Stock Outstand. & Subscribed                         |                       |                          |
| 19. Property Held for Future Use         |                       |                          | 52. Additional Paid-in-Capital                                |                       |                          |
| 20. Plant Under Construction             |                       |                          | 53. Treasury Stock  |                       |                          |
| 21. Plant Adj., Nonop. Plant & Goodwill  |                       |                          | 54. Membership and Cap. Certificates                          |                       |                          |
| 22. Less Accumulated Depreciation        |                       |                          | 55. Other Capital   |                       |                          |
| 23. Net Plant (18 thru 21 less 22)       |                       |                          | 56. Patronage Capital Credits                                 |                       |                          |
| 24. TOTAL ASSETS (10+17+23)              |                       |                          | 57. Retained Earnings or Margins                              |                       |                          |
|  |                       |                          | 58. Total Equity (51 thru 57)                                 |                       |                          |
|  |                       |                          | 59. TOTAL LIABILITIES AND EQUITY (36+46+50+58)                |                       |                          |

Total Equity = 67.06% % of Total Assets

**REDACTED – FOR PUBLIC INSPECTION**

|   |  |  |                  |
|---|--|--|------------------|
| <b>USDA-RUS</b><br><br><b>OPERATING REPORT FOR<br/>TELECOMMUNICATIONS BORROWERS</b> |  | <b>BORROWER DESIGNATION</b><br><br>MO0533  |                  |
| <b>INSTRUCTIONS- See RUS Bulletin 1744-2</b>  |  | <b>PERIOD ENDING</b><br><br>December, 2012 |                  |
| <b>PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS</b>                |  |  |                  |
| <b>ITEM</b>   |  | <b>PRIOR YEAR</b>                          | <b>THIS YEAR</b> |
| 1. Local Network Services Revenues  |  |  |                  |
| 2. Network Access Services Revenues   |  |  |                  |
| 3. Long Distance Network Services Revenues  |  |  |                  |
| 4. Carrier Billing and Collection Revenues  |  |  |                  |
| 5. Miscellaneous Revenues   |  |  |                  |
| 6. Uncollectible Revenues   |  |  |                  |
| 7. Net Operating Revenues (1 thru 5 less 6)   |  |  |                  |
| 8. Plant Specific Operations Expense  |  |  |                  |
| 9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)     |  |  |                  |
| 10. Depreciation Expense  |  |  |                  |
| 11. Amortization Expense  |  |  |                  |
| 12. Customer Operations Expense   |  |  |                  |
| 13. Corporate Operations Expense  |  |  |                  |
| 14. Total Operating Expenses (8 thru 13)  |  |  |                  |
| 15. Operating Income or Margins (7 less 14)   |  |  |                  |
| 16. Other Operating Income and Expenses   |  |  |                  |
| 17. State and Local Taxes   |  |  |                  |
| 18. Federal Income Taxes  |  |  |                  |
| 19. Other Taxes   |  |  |                  |
| 20. Total Operating Taxes (17+18+19)  |  |  |                  |
| 21. Net Operating Income or Margins (15+16-20)                                      |  |  |                  |
| 22. Interest on Funded Debt   |  |  |                  |
| 23. Interest Expense - Capital Leases   |  |  |                  |
| 24. Other Interest Expense  |  |  |                  |
| 25. Allowance for Funds Used During Construction                                    |  |  |                  |
| 26. Total Fixed Charges (22+23+24-25)   |  |  |                  |
| 27. Nonoperating Net Income   |  |  |                  |
| 28. Extraordinary Items   |  |  |                  |
| 29. Jurisdictional Differences  |  |  |                  |
| 30. Nonregulated Net Income   |  |  |                  |
| 31. Total Net Income or Margins (21+27+28+29+30-26)                                 |  |  |                  |
| 32. Total Taxes Based on Income   |  |  |                  |
| 33. Retained Earnings or Margins Beginning-of-Year                                  |  |  |                  |
| 34. Miscellaneous Credits Year-to-Date  |  |  |                  |
| 35. Dividends Declared (Common)   |  |  |                  |
| 36. Dividends Declared (Preferred)  |  |  |                  |
| 37. Other Debits Year-to-Date   |  |  |                  |
| 38. Transfers to Patronage Capital  |  |  |                  |
| 39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]         |  |  |                  |
| 40. Patronage Capital Beginning-of-Year   |  |  |                  |
| 41. Transfers to Patronage Capital  |  |  |                  |
| 42. Patronage Capital Credits Retired   |  |  |                  |
| 43. Patronage Capital End-of-Year (40+41-42)  |  |  |                  |
| 44. Annual Debt Service Payments  |  |  |                  |
| 45. Cash Ratio [(14+20-10-11) / 7]  |  |  |                  |
| 46. Operating Accrual Ratio [(14+20+26) / 7]  |  |  |                  |
| 47. TIER [(31+26) / 26]   |  |  |                  |
| 48. DSCR [(31+26+10+11) / 44]   |  |  |                  |

REDACTED – FOR PUBLIC INSPECTION

| USDA-RUS  |            |            |                               |                    |              | BORROWER DESIGNATION              |              |
|---|------------|------------|-------------------------------|--------------------|--------------|-----------------------------------|--------------|
| OPERATING REPORT FOR<br>TELECOMMUNICATIONS BORROWERS                        |            |            |                               |                    |              | MO0533                            |              |
|   |            |            |                               |                    |              | PERIOD ENDED<br>December, 2012    |              |
| INSTRUCTIONS - See RUS Bulletin 1744-2                                      |            |            |                               |                    |              |                                   |              |
| Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION |            |            |                               |                    |              |                                   |              |
| EXCHANGE  | 1. RATES   |            | 2. SUBSCRIBERS (ACCESS LINES) |                    |              | 3. ROUTE MILES                    |              |
|   | B-1<br>(a) | R-1<br>(b) | BUSINESS<br>(a)               | RESIDENTIAL<br>(b) | TOTAL<br>(c) | TOTAL<br>(including fiber)<br>(a) | FIBER<br>(b) |
| Ridgeway  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Sheridan  | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Spickard  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Thayer  | 10.70      | 10.00      |                               |                    |              |                                   |              |
| Washington Center   | 14.35      | 10.00      |                               |                    |              |                                   |              |
| Weldon  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Garden Grove  | 14.35      | 10.00      |                               |                    |              |                                   |              |
| Gentry  | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Gilman City   | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Allerton  | 14.35      | 10.00      |                               |                    |              |                                   |              |
| Barnard   | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Bethany   | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Blockton  | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Brimson   | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Browning  | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Cainsville  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Chula   | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Graham  | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Grand River   | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Jamesport   | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Lamoni  | 13.93      | 10.00      |                               |                    |              |                                   |              |
| Laredo  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Leon  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Lineville   | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Lucame  | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Meadville   | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Mercer  | 14.35      | 10.00      |                               |                    |              |                                   |              |
| Millerton   | 13.93      | 10.00      |                               |                    |              |                                   |              |
| Mt. Moriah  | 14.35      | 10.00      |                               |                    |              |                                   |              |
| New Hampton   | 14.35      | 10.00      |                               |                    |              |                                   |              |
| Newtown   | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Parnell   | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Powersville   | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Princeton   | 14.35      | 10.00      |                               |                    |              |                                   |              |
| Purdin  | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Ravenwood   | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Conception Junction   | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Darlington  | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Davis City  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Denver  | 13.09      | 10.00      |                               |                    |              |                                   |              |
| Derby   | 13.51      | 10.00      |                               |                    |              |                                   |              |
| Eagleville  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Gall  | 14.76      | 10.00      |                               |                    |              |                                   |              |
| Linneus   | 13.93      | 10.00      |                               |                    |              |                                   |              |
| MobileWireless  |            |            |                               |                    |              |                                   |              |
| Route Mileage Outside Exchange Area   |            |            |                               |                    |              |                                   |              |
| Total   |            |            |                               |                    |              |                                   |              |
| No. Exchanges   |            |            |                               |                    |              |                                   |              |

REDACTED – FOR PUBLIC INSPECTION

| USDA-RUS  |   |                                       |                                 |  |  |                        | BORROWER DESIGNATION   |                              |
|---|---|---------------------------------------|---------------------------------|--|--|------------------------|------------------------|------------------------------|
| OPERATING REPORT FOR<br>TELECOMMUNICATIONS BORROWERS                        |   |                                       |                                 |  |  |                        | MO0533                 |                              |
| INSTRUCTIONS - See RUS Bulletin 1744-2                                      |   |                                       |                                 |  |  |                        | PERIOD ENDED           |                              |
|   |   |                                       |                                 |  |  |                        | December, 2012         |                              |
| Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION |   |                                       |                                 |  |  |                        |                        |                              |
| 4. BROADBAND SERVICE  |   |                                       |                                 |  |  |                        |                        |                              |
| EXCHANGE  | No. Access Lines<br>with BB<br>available<br>(a) | No Of Broadband<br>Subscribers<br>(b) | Number Of<br>Subscribers<br>(c) | Details on Least Expensive Broadband Service |  |                        |                        |                              |
|   |   |                                       |                                 | Advertised<br>Download Rate<br>(Kbps)<br>(d) | Advertised<br>Upload<br>Rate (Kbps)<br>(e) | Price Per Month<br>(f) | Standalone/Pckg<br>(g) | Type Of<br>Technology<br>(h) |
| Ridgeway  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Sheridan  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Spickard  |   |                                       |                                 | 8,000  | 768  | 42.95                  |                        | DSL                          |
| Thayer  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Washington<br>Center  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Weldon  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Garden Grove  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Gentry  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | Fiber to the<br>Home         |
| Glman City  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Allerton  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Barnard   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Betheny   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Blockton  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Brimson   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Browning  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Cainsville  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Chula   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Graham  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Grand River   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Jamesport   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Lamoni  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Larado  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Leon  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | Fiber to the<br>Home         |
| Lineville   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Lucerne   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Meadville   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | Fiber to the<br>Home         |
| Mercer  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Millerton   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Mt. Moriah  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| New Hampton   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Newtown   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Parnell   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Powersville   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Princeton   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Purdin  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Ravenwood   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Conception<br>Junction  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Darlington  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Davis City  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Denver  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | Fiber to the<br>Home         |
| Derby   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Eagleville  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Gall  |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | DSL                          |
| Linneus   |   |                                       |                                 | 8,000  | 768  | 42.95                  | Package                | Fiber to the<br>Home         |
| Total   |   |                                       |                                 |  |  |                        |                        |                              |

|  |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
|--|---|---|---|--------------------------------------|--------------------|-------------|---|--|--|-------------|---|--|--|
| <b>USDA-RUS</b><br><br><b>OPERATING REPORT FOR</b><br><b>TELECOMMUNICATIONS BORROWERS</b>  |   |   | <b>BORROWER DESIGNATION</b><br>MO0533<br><br><b>PERIOD ENDING</b><br>December, 2012 |                                      |                    |             |   |  |  |             |   |  |  |
| INSTRUCTIONS- See RUS Bulletin 1744-2  |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| <b>PART D. SYSTEM DATA</b>   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 1. No. Plant Employees   | 2. No. Other Employees                    | 3. Square Miles Served  | 4. Access Lines per Square Mile   | 5. Subscribers per Route Mile        |                    |             |   |  |  |             |   |  |  |
|  |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| <b>PART E. TOLL DATA</b>   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 1. Study Area ID Code(s)<br><br>a. 351888<br>b. 421888<br>c. _____<br>d. _____<br>e. _____<br>f. _____<br>g. _____<br>h. _____<br>i. _____<br>j. _____ |   | 2. Types of Toll Settlements (Check one)<br><br><table style="width: 100%;"> <tr> <td style="width: 40%;">Interstate:</td> <td style="width: 20%;"><input type="checkbox"/> Average Schedule</td> <td style="width: 20%;"><input checked="" type="checkbox"/> Cost Basis</td> <td style="width: 20%;"></td> </tr> <tr> <td>Intrastate:</td> <td><input type="checkbox"/> Average Schedule</td> <td><input checked="" type="checkbox"/> Cost Basis</td> <td></td> </tr> </table> |   |                                      |                    | Interstate: | <input type="checkbox"/> Average Schedule | <input checked="" type="checkbox"/> Cost Basis |  | Intrastate: | <input type="checkbox"/> Average Schedule | <input checked="" type="checkbox"/> Cost Basis |  |
| Interstate:  | <input type="checkbox"/> Average Schedule | <input checked="" type="checkbox"/> Cost Basis  |   |                                      |                    |             |   |  |  |             |   |  |  |
| Intrastate:  | <input type="checkbox"/> Average Schedule | <input checked="" type="checkbox"/> Cost Basis  |   |                                      |                    |             |   |  |  |             |   |  |  |
| <b>PART F. FUNDS INVESTED IN PLANT DURING YEAR</b>   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 1. RUS, RTB, & FFB Loan Funds Expended   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 2. Other Long-Term Loan Funds Expended   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 3. Funds Expended Under RUS Interim Approval   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 4. Other Short-Term Loan Funds Expended  |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 5. General Funds Expended (Other than Interim)   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 6. Salvaged Materials  |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 7. Contribution in Aid to Construction   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 8. Gross Additions to Telecom. Plant (1 thru 7)  |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| <b>PART G. INVESTMENTS IN AFFILIATED COMPANIES</b>   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| INVESTMENTS<br><br>(a)   | CURRENT YEAR DATA                         |   | CUMULATIVE DATA   |                                      |                    |             |   |  |  |             |   |  |  |
|  | Investment<br>This Year                   | Income/Loss<br>This Year  | Cumulative<br>Investment<br>To Date   | Cumulative<br>Income/Loss<br>To Date | Current<br>Balance |             |   |  |  |             |   |  |  |
|  | (b)                                       | (c)   | (d)   | (e)                                  | (f)                |             |   |  |  |             |   |  |  |
| 1. Investment in Affiliated Companies - Rural Development  |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |
| 2. Investment in Affiliated Companies - Nonrural Development   |   |   |   |                                      |                    |             |   |  |  |             |   |  |  |

|   |   |
|---|---|
| <b>USDA-RUS</b><br><br><b>OPERATING REPORT FOR</b><br><b>TELECOMMUNICATIONS BORROWERS</b>   | BORROWER DESIGNATION<br>MO0533<br><br>PERIOD ENDING<br>December, 2012 |
| <b>PART H. CURRENT DEPRECIATION RATES</b>   |   |
| Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one) |   |
| <input checked="checked" type="checkbox"/> YES <input type="checkbox"/> NO  |   |
| <b>EQUIPMENT CATEGORY</b>   | <b>DEPRECIATION RATE</b>  |
| 1. Land and support assets - Motor Vehicles   |   |
| 2. Land and support assets - Aircraft   |   |
| 3. Land and support assets - Special purpose vehicles   |   |
| 4. Land and support assets - Garage and other work equipment  |   |
| 5. Land and support assets - Buildings  |   |
| 6. Land and support assets - Furniture and Office equipment   |   |
| 7. Land and support assets - General purpose computers  |   |
| 8. Central Office Switching - Digital   |   |
| 9. Central Office Switching - Analog & Electro-mechanical   |   |
| 10. Central Office Switching - Operator Systems   |   |
| 11. Central Office Transmission - Radio Systems   |   |
| 12. Central Office Transmission - Circuit equipment   |   |
| 13. Information origination/termination - Station apparatus   |   |
| 14. Information origination/termination - Customer premises wiring  |   |
| 15. Information origination/termination - Large private branch exchanges  |   |
| 16. Information origination/termination - Public telephone terminal equipment   |   |
| 17. Information origination/termination - Other terminal equipment  |   |
| 18. Cable and wire facilities - Poles   |   |
| 19. Cable and wire facilities - Aerial cable - Metal  |   |
| 20. Cable and wire facilities - Aerial cable - Fiber  |   |
| 21. Cable and wire facilities - Underground cable - Metal   |   |
| 22. Cable and wire facilities - Underground cable - Fiber   |   |
| 23. Cable and wire facilities - Buried cable - Metal  |   |
| 24. Cable and wire facilities - Buried cable - Fiber  |   |
| 25. Cable and wire facilities - Conduit systems   |   |
| 26. Cable and wire facilities - Other   |   |
|   |   |



REDACTED – FOR PUBLIC INSPECTION

|  |  |                                |
|--|--|--------------------------------|
| USDA-RUS<br><br><b>OPERATING REPORT FOR<br/>TELECOMMUNICATIONS BORROWERS</b>   |  | BORROWER DESIGNATION<br>M00533 |
| INSTRUCTIONS – See help in the online application.   |  | PERIOD ENDED<br>December, 2012 |
| <b>PART I – STATEMENT OF CASH FLOWS</b>  |  |                                |
| <b>1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)</b>   |  |                                |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |  |                                |
| <b>2. Net Income</b>   |  |                                |
| <i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>  |  |                                |
| <b>3. Add: Depreciation</b>  |  |                                |
| <b>4. Add: Amortization</b>  |  |                                |
| <b>5. Other (Explain)</b><br>Dereg. Depre, Salvage Plant in Serv., Dec. Int. & Div. Rec., Excise Tax Ref, JE error in Acct 4550.2  |  |                                |
| <i>Changes in Operating Assets and Liabilities</i>   |  |                                |
| <b>6. Decrease/(Increase) in Accounts Receivable</b>   |  |                                |
| <b>7. Decrease/(Increase) in Materials and Inventory</b>   |  |                                |
| <b>8. Decrease/(Increase) in Prepayments and Deferred Charges</b>  |  |                                |
| <b>9. Decrease/(Increase) in Other Current Assets</b>  |  |                                |
| <b>10. Increase/(Decrease) in Accounts Payable</b>   |  |                                |
| <b>11. Increase/(Decrease) in Advance Billings &amp; Payments</b>  |  |                                |
| <b>12. Increase/(Decrease) in Other Current Liabilities</b>  |  |                                |
| <b>13. Net Cash Provided/(Used) by Operations</b>  |  |                                |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |  |                                |
| <b>14. Decrease/(Increase) in Notes Receivable</b>   |  |                                |
| <b>15. Increase/(Decrease) in Notes Payable</b>  |  |                                |
| <b>16. Increase/(Decrease) in Customer Deposits</b>  |  |                                |
| <b>17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)</b>  |  |                                |
| <b>18. Increase/(Decrease) in Other Liabilities &amp; Deferred Credits</b>   |  |                                |
| <b>19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates &amp; Other Capital</b>          |  |                                |
| <b>20. Less: Payment of Dividends</b>  |  |                                |
| <b>21. Less: Patronage Capital Credits Retired</b>   |  |                                |
| <b>22. Other (Explain)</b>   |  |                                |
| <b>23. Net Cash Provided/(Used) by Financing Activities</b>  |  |                                |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |  |                                |
| <b>24. Net Capital Expenditures (Property, Plant &amp; Equipment)</b>  |  |                                |
| <b>25. Other Long-Term Investments</b>   |  |                                |
| <b>26. Other Noncurrent Assets &amp; Jurisdictional Differences</b>  |  |                                |
| <b>27. Other (Explain)</b><br>Ad prop plnt & equip exp a positive invest cost of remov plnt dec acrd taxes inc dereg inv cr 4550.3 |  |                                |
| <b>28. Net Cash Provided/(Used) by Investing Activities</b>  |  |                                |
| <b>29. Net Increase/(Decrease) in Cash</b>   |  |                                |
| <b>30. Ending Cash</b>   |  |                                |

Revision Date 2010

**REDACTED – FOR PUBLIC INSPECTION**

|  |                                    |
|--|------------------------------------|
| USDA-RUS<br><br><b>OPERATING REPORT FOR<br/>TELECOMMUNICATIONS BORROWERS</b> | BORROWER DESIGNATION<br><br>MO0533 |
| INSTRUCTIONS - See RUS Bulletin 1744-2                                       | PERIOD ENDED<br>December, 2012     |

**NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS**

Part H. Iowa depreciation rates are not subject to PSC approval for GRMTC. The Missouri PSC does approve depreciation rates. However, a small company can apply for rates that differ from the last approved rates and get them approved for use without a full depreciation study. However, the PSC doesn't have to use these new rates in a rate case. For 1996 and following years, GRMTC used this method to get certain depreciation rates changed. The rates changed are:

Approved Rates

New Rates

Vehicles

Digital Switch Equipment

Buildings

General Purpose Computers

Pole Lines

Aerial Lines

Fiber Cable

Underground Conduit



